



TERRY E. BRANSTAD  
GOVERNOR

## OFFICE OF THE GOVERNOR

KIM REYNOLDS  
LT. GOVERNOR

June 20, 2013

The Honorable Matt Schultz  
Secretary of State of Iowa  
State Capitol  
Des Moines, Iowa 50319

Dear Mr. Secretary:

I hereby transmit Senate File 396, an Act relating to government operations and efficiency and other related matters, and including effective date and applicability provisions.

Senate File 396 is approved on this date with the following exceptions, which I hereby disapprove.

I am unable to approve Sections 40, 42, and 43 in their entirety. These items require the director of the department of administrative services to purchase a new payroll system for the executive branch. From the beginning of my administration, I asked state agencies to work diligently to reduce administrative costs and reduce overhead costs. At my direction, many efficiency and cost-control measures are already being implemented by the executive branch departments. My administration is committed to reducing the size and cost of government by 15% through efficiencies and new technologies that allow for savings. I believe a mandate to purchase a payroll system at this time is inappropriate. The department may review the payroll system and determine the best way to proceed while protecting and serving the taxpayers of Iowa.

I am unable to approve Section 41 in its entirety. This item prohibits non-contract employees from bumping contract employees in the case of a reduction in force. In order to achieve increased efficiencies within state government, my administration is committed to finding areas where we can consolidate duplicative efforts. However, in doing so we must strive to ensure that various classifications of employees are treated fairly. The executive branch will continue to implement policies that will reduce the size and cost of government by 15% and this provision would be an impediment in achieving this goal.

For the above reasons, I respectfully disapprove the designated items in accordance with Amendment IV of the Amendments of 1968 to the Constitution of the State of Iowa. All other items in Senate File 396 are hereby approved as of this date.

Sincerely,

TERRY E. BRANSTAD  
Governor